

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 3651 - HB 3698

February 27, 2012

**SUMMARY OF BILL:** Expands the types of structures allowed to operate under previously enacted zoning regulations, if zoning regulations have changed since the building was erected or proposed, to include multi-family residential structures. Specifies that the scope of private property protections will apply to buildings, structures, land area, operations, facilities, activities, signs, sign structures, billboards, materials, equipment, principal uses, and accessory uses in existence prior to a zoning change. Removes the requirement that off-site or on-site signs must conform to existing zoning regulations.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Due to several unknown factors associated with possible changes to existing structures, future property tax assessments, and resulting property tax collections by local governments, a precise fiscal impact cannot be determined; however, it is estimated that the net fiscal impact to local government is not significant.**

Assumptions:

- Pursuant to Tenn. Code Ann. § 13-7-208 (b)(1), industrial, commercial, and business establishments are permitted to operate under zoning regulations enacted prior to zoning changes, provided that there is no change in the use of land.
- According to the Department of Commerce & Insurance, fire codes will not be affected by the proposed legislation; therefore, current departmental practices will not change.
- The addition of multi-family residential structures may cause an increase or decrease in property assessments and property tax revenue collections; however, due to a number of unknown variables such as any unforeseen changes made to multi-residential structures, their land area, activities, or operations, and on-site or off-site signage, the precise change to property assessments is undeterminable.
- It is estimated that the net fiscal impact to local government will be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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